

Dependence of Zakat Assistance among *Asnaf* Students in East Coast, Malaysia

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Abstract

In Malaysia, institutions of higher education provide zakat as one of the financial aids given to students in the *asnaf* category. There are 21 public universities in Malaysia that provide zakat assistance in cash to students in the *asnaf* category at all 21 campuses. Every semester of study, *asnaf* students receive zakat cash assistance, which is twice a year. The question is, does this zakat cash assistance benefit the *asnaf* students? As a result, this article will identify the level of dependence on zakat aid among *asnaf* students. The data sample consists of *asnaf* students at the UiTM Terengganu Branch, Universiti Sultan Zainal Abidin (UniSZA), and Universiti Malaysia Terengganu (UMT). The data collection method is a questionnaire created in accordance with the study sample, which is UiTM, UniSZA, and UMT *asnaf* students. For the three universities, a sample of 164 students was taken. We conducted data analysis using descriptive statistical analysis, specifically Structure Equation Modelling (SEM), and generated the data using the Smart PLS version 4.0.9.2. The results of the study found that the level of dependence on zakat aid among students is high, with four variables showing a significant effect, namely the knowledge factor, perception factor, exposure factor, and attitude factor. The understanding factor has no significant impact on the Dependent of Zakat

Assistance (DZA) factor. A long-term strategy must be implemented to increase IPT's zakat fund through the involvement of all parties, whether educational institutions, zakat institutions, private parties, or the government.

Keywords: Knowledge, Perception, Exposure, Attitude, Zakat.

Introduction

Zakat Institutions of Higher Education is one of the financial aids given to students in the *asnaf* category in Malaysia (Othman & Mukti, 2018). Public universities are one of the higher education institutions (HEIs) that provide zakat assistance to students in the *asnaf* category on all 21 campuses through the Zakat Department. The university's Zakat Department is regulated by the State Islamic Religious Council. Zakat received from the university will be distributed to *asnaf* students, including cash assistance for each semester of study, which is twice a year. The question is, is this zakat cash assistance used by ASNAF students? Therefore, this article will identify the level of Zakat Aid Dependency (PBZ) among students of UiTM Terengganu Branch UniSZA and UMT. The study sample will consist of *asnaf* students from all three campuses. The data collection method is a questionnaire designed in accordance with the study sample, which is *asnaf* students. A sample of 164 students from the three campuses was taken. Data analysis using descriptive statistical analysis, namely Structure Equation Modelling (SEM), will be generated using the Smart PLS system version 4.0.9.2.

Literature Review

Zakat is a mandatory duty for all Muslims and is considered one of the fundamental principles of Islam that must be carried out (Ab Rahman, 2017; Othman and Mukti, 2018). Zakat is distributed to the *asnaf* group, which consists of eight categories. "*Asnaf*" is an Arabic phrase that specifically pertains to the domains of Islamic finance and social welfare. It primarily pertains to the groups of individuals who are qualified to receive zakat (charitable giving), which is one of the fundamental principles of Islam. Zakat, as stipulated in Islamic law (Sharia), is allocated to eight specific classes of individuals (*asnaf*) as outlined in Surah At-Tawbah (9:60) of the Quran. The categories include Fuqara (the Poor), Masakin (the Needy), Amil Zakat (Zakat Collectors), Muallaf (Those whose hearts are to be reconciled), Riqab (Those in bondage), Slaves or captives seeking freedom, Gharimin (Those in debt), Fi Sabilillah (In the cause of Allah), and Ibn Sabil (The Wayfarer). The purpose of these categories is to ensure that zakat effectively assists different sectors of society that require support, hence fostering social well-being and economic fairness within the Muslim community (Nasir, 2023).

Among these categories, there are specific ones that provide assistance to students, particularly those in higher education institutions. These categories include the destitute, the needy, *ibnu sabil*, and *fisabilillah* (Wahid et al., 2010). The study conducted by Mohamad Zaki and Sulong (2021) found that IPT students categorise zakat recipients into two groups: the impoverished and the needy. The designation of "wayfarer" (*ibnu sabil*) is bestowed upon the *asnaf* groups who offer aid in the form of aeroplane tickets to students who are unable to travel back to their hometowns. The four categories employed by UiTM, UniSZA, and UMT function as criteria for students to qualify for zakat aid (Yahaya et al., 2024). Nevertheless, alternative research establishes the foundation of *asnaf* fakir, poor, and *fisabilillah* as the inclusive classification of IPT students who meet the criteria to receive zakat.

According to studies on motivation, factors of dependence among zakat recipients are identified. The study of zakat distribution focuses on the factors that cause the tendency of applicants to apply for zakat. A study by Wahid et al (2012); Ngadiman et. al (2016); Ab

Rahman (2017) showed that the factor of knowledge and understanding of zakat is an important element for applicants to apply for zakat. In-depth knowledge related to zakat, such as the status of asnaf who feel worthy of being considered, is the main reason for the applicant to apply for zakat. In addition, a study by Salleh (2006); Zaki and Sulong (2021); Ismail and Ali (2021) proves that the understanding of zakat is also measured through the types of zakat, zakat categories, time, and amount that will be charged (Ayub et al., 2022). Other studies also examine internal and external factors that influence an applicant's willingness to apply for zakat. Studies conducted by Aisyah and Wajeeha (2016); Ab Rahman and Din (2015); Othman and Mukti (2018); Rahim et al (2023) have all contributed to this research. Researchers found that the strongest internal factors are exposure factors and attitudes that are considered significant when applying for zakat. While the external factor refers to the opportunity for assistance that can be received by the applicant from zakat institutions such as the Islamic Religious Council, which is responsible for distributing zakat, (Sarah et al., 2015; Isa & Wahid, 2017). Previous studies have identified factors that influence applicants' tendency to apply for zakat. The dependence factor of zakat aid was selected based on studies related to motivation involving internal and external factors. The researcher decided to use five independent variables namely knowledge, exposure, perception, attitude and understanding, while the independent variable is the dependence of zakat assistance (DZA).

Research Methodology

This study is quantitative, with data collected through the distribution of questionnaires to students who have been categorised as Asnaf students. The sample consisted of 164 students from a total population of 812 poor people in UiTM Terengganu, UniSZA, and UMT. The sample consisted of 54 students from UiTM Terengganu, 58 from UniSZA, and 52 from UMT. To analyse the questionnaire items, statistical descriptive data analysis was used. Smart PLS software version 4.0.9.2 was used to test and analyse the data. The data was analysed using a direct test method involving five independent variables (knowledge, exposure, perception, attitude, and understanding) and the dependent variable Dependency of Zakat Assistance (DZA).

Data Analysis

After the questionnaires were collected, there were 40 questionnaires. Data validity and reliability tests were performed using Cronbach's alpha value. According to Sekaran (1992:138); McMillan and Schumacher (2006), Cronbach's alpha value must exceed 0.60 for each variable, while factor loading values that are less than 0.5 will be dropped (Hair et al., 2014). Table 1.1 shows the data validity and reliability tests.

Table 1.1

Validity and Reliability Test

Variables	Items	Validity		Reliability
		Coef. Correlation		Cronbach Alpha
Knowledge	KNW1	0.899		0.868
	KNW2	0.897		
	KNW3	0.896		
	KNW4	0.682		
	KNW5	0.746		
	KNW6	0.510		
Exposure	EXP1	0.670		0.775
	EXP2	0.676		
	EXP3	0.756		
	EXP4	0.660		
	EXP5	0.726		
	EXP6	0.601		
Perception	PCP1	0.558		0.770
	PCP3	0.796		
	PCP5	0.837		
	PCP7	0.879		
Attitude	ATE1	0.632		0.714
	ATE4	0.807		
	ATE5	0.851		
	ATE7	0.611		
Understanding	UDN3	0.821		0.622
	UDN4	0.880		
DZA	DZA1	0.731		0.633
	DZA2	0.643		
	DZA3	0.694		
	DZA4	0.684		

(Source: Data analysis using Smart PLS 4.0.9.2 software on February 28, 2024.)

Then, multicollinearity and factor loading tests were performed on the questionnaire items, using VIF values and factor loading tests as measures. The VIF value must not exceed 10, because a value less than 10 does not suffer from a serious multicollinearity problem; on the contrary, if the VIF value exceeds 10, the item will be dropped, while the factor loading test must exceed 0.50 and above (Hair et al., 2012). Table 1.2 shows the results of the multicollinearity test using VIF values.

Table 1.2

Multicollinearity Test

No.	DEPENDENT VARIABLE	VIF	Factor Loading Test (< 0.50)	STATUS
<hr/>				

1	Depandency of Zakat Assistance (d)	3.318	DZA5 (0.168)	There is no multicollinearity in the inner and outer models.
	DZA1	1.759	DZA6 (0.484)	
	DZA2	1.815		
	DZA3	1.346		<u>Remaining items</u>
	DZA4			DZA1, DZA2, DZA3,DZA4,
No.	INDEPANDENT VARIABLE	VIF		STATUS
1	Knowledge (KNW)			There is no multicollinearity in the inner and outer models.
	KNW1	5.408		
	KNW2	5.653		
	KNW3	1.534		
	KNW4	2.277		
	KNW5	1.623		
	KNW6	2.061		
2	Exposure (EXP)			
	EXP1	1.758		
	EXP2	2.944		
	EXP3	3.335		
	EXP4	1.759		
	EXP5	1.986		
	EXP6	1.245		
3	Perception (PCP)			There is no multicollinearity in the inner and outer models.
	PCP1	1.089	PSP1 (0.391)	
	PCP3	1.580		
	PCP5	1.207		
	PCP7	1.687		PSP3,PSP5,PSP7
4	Attitude (ATE)			There is no multicollinearity in the inner and outer models.
	ATE1	1.164		
	ATE4	1.192		
	ATE5	1.384		
	ATE7	1.186		
5	Undertanding (F)			There is no multicollinearity in the inner and outer models.
	UDN3	1.438		
	UDN4	1.438		

Direct Relationship Analysis

This test will look at the values of factor loading, Cronbach's alpha (α), CR, AVE, R2, β , p value, and t value. Table 1.3 shows the test values. Table 1.6 shows the factor analysis test on the tendency factor and DZA with CV value, Cronbach's alpha, CR, AVE, R2, β , p value, and t value.

Jadual 1.3

Factor analysis test

No	Factor	Items	(CV)	α	CR	AVE	R ²	β	p value	T value
1	DZA	DZA1	0.801	0.693	0.711	0.524	0.868			
		DZA2	0.793							
		DZA3	0.656							
		DZA4	0.628							
2	Knowledge KNW	KNW1	0.899	0.886	0.922	0.640		0.420	0.000	8.179*
		KNW2	0.888							
		KNW3	0.899							
		KNW4	0.732							
		KNW5	0.689							
		KNW6	0.650							
3	Exposure EXP	EXP1	0.743	0.842	0.867	0.567		0.214	0.000	4.075*
		EXP2	0.809							
		EXP3	0.849							
		EXP4	0.794							
		EXP5	0.756							
		EXP6	0.521							
4	Perception PCP	PCP3	0.795	0.788	0.812	0.700		0.290	0.000	5.397*
		PCP5	0.880							
		PCP7	0.834							
5	Attitude ATE	ATE1	0.686	0.655	0.683	0.488		0.221	0.000	3.771*
		ATE4	0.795							
		ATE5	0.744							
		ATE7	0.544							
6	Understanding UDN	UDN3	0.848	0.711	0.741	0.773		-0.019	0.513	0.513
		UDN4	0.910							

(Source: Data analysis using Smart PLS 4.0.9.2 software on February 28, 2024)

According to Table 1.3, the data is abstracted into a direct effect model in Figure 1.1. Figure 1.1 illustrates the direct relationship between the factors of zakat application and DZA.

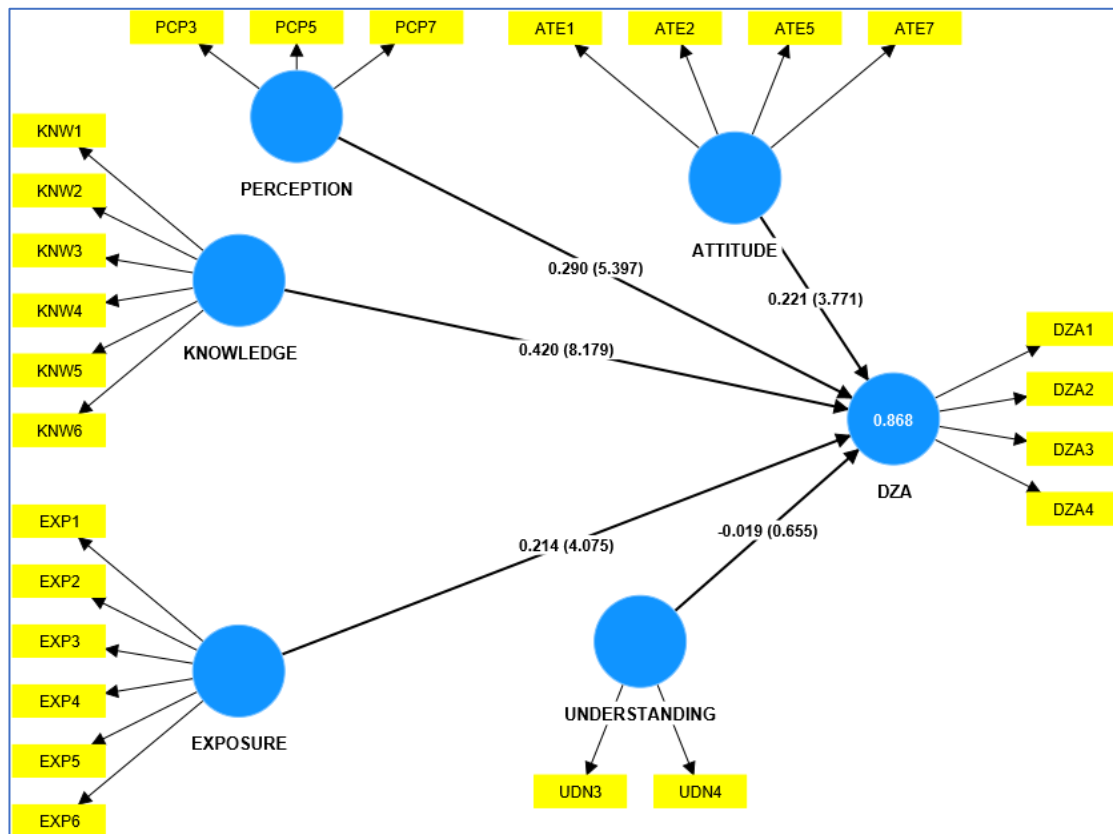


Figure 1.1: The Direct Relationship between Zakat Application Factors and DZA (Source: Data analysis using Smart PLS 4.0.9.2 software on February 28, 2024)

Table 1.4
The direct relationship test for DZA

Pemboleh Ubah Laten	Koefisien Teranggar (β)	Nilai p	Nilai t	Hipotesis	Sig*
KNW - DZA	0.420	0.000	8.179	Sokong	*
EXP - DZA	0.214	0.000	4.075	Sokong	*
PCP - DZA	0.290	0.000	5.397	Sokong	*
ATE - DZA	0.221	0.000	3.771	Sokong	*
UDN - DZA	-0.019	0.000	0.655	Tolak	

Based on the direct factor relationship test on DZA, it was found that four variables showed a significant effect on the t value, namely the knowledge factor (8.179), the perception factor (5.397), the exposure factor (4.075), and the attitude factor (3.771). However, the comprehension factor (0.513) does not have a significant impact on DZA.

Research Contribution

The study's findings, which highlight factors such as knowledge, perception, exposure, and attitude that impact reliance on zakat aid, provide valuable insights. The State Islamic Religious Council can use these factors as indicators to formulate more efficient zakat distribution management policies, ensuring that zakat distribution reaches the intended target group. Therefore, the asnaf dropout factor can be reduced, and the aid provided can

be optimized. The results of this study can also help the government formulate a higher education policy that can help *asnaf* students in higher education institutions reduce the cost of expenses during university studies.

Conclusion

In conclusion, zakat dependence among *asnaf* students at IPT is high. This is because there are still many students at IPT who belong to the B40 group. The study's findings demonstrate that causal factors such as knowledge, exposure, perception, and attitude are important for a student to apply for zakat. Therefore, it is necessary to create a specific strategy for a more effective method of zakat distribution so that the affected groups can be fully assisted. The involvement of the State Islamic Religious Council and government in distributing zakat funds at IPT needs to be further strengthened by channelling zakat fund contributions that are in line with the current situation of students who belong to the *asnaf* category.

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